



Colorado Springs Utilities

*It's how we're all connected*

# 2023 Rate Case

# Supplemental Filing

October 18, 2022



**Date:** October 18, 2022  
**To:** Members of City Council  
**From:** Scott Shirola, Pricing and Rates Manager  
**Subject:** **SUPPLEMENTAL INFORMATION FOR COLORADO SPRINGS UTILITIES' 2023 RATE CASE FILING**

Colorado Springs Utilities (Utilities) has prepared supplemental information for the 2023 Rate Case originally submitted September 13, 2022. The supplemental material conforms to the requirements of Rules and Procedures of City Council, Part 4 - Utilities Pricing and Tariff Hearing Procedure, Section 1.A.6.

The attached packet contains revised and new information:

- Revised Information
  - Clerical changes to reflect Utilities approved adjustment to the Electric Cost Adjustment (ECA) rates effective October 1, 2022, which was approved by City Council on September 27, 2022. Revisions are reflected in the following:
    - Electric Resolution, change reference of Sheet No. 2.9 from Eighteenth Revised to Nineteenth Revised.
    - Electric Redline and Final Tariff Sheets, change Sheet No. 2.9 from Eighteenth Revised to Nineteenth Revised.
  - Clerical changes and rate decrease to the proposed Green Power Service based on the October 1, 2022 approved ECA rate decrease. Revisions are reflected in the following:
    - Electric Redline and Final Tariff Sheets, change Sheet No. 2.9 Green Power Service proposed rate from \$0.0581 to \$0.0520.
    - Green Power Service Schedules 1 and 1.1, change effective ECA rate and resulting calculations.
- New Information
  - Legal Notice – Affidavit of Publication
  - Public Outreach
  - Office of the City Auditor – Audit Report

Revised  
Information

# **Electric Resolution**

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION SETTING CERTAIN ELECTRIC RATES  
WITHIN THE SERVICE AREA OF COLORADO SPRINGS UTILITIES  
AND REGARDING CERTAIN CHANGES TO THE ELECTRIC RATE SCHEDULES**

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed modifications to the electric rate schedules; and

**WHEREAS**, Utilities proposed to change the Residential Service Time-of-Day (ETR) option Access and Facility Charges, per Day and per kWh; and

**WHEREAS**, Utilities proposed to modify the ETR on-peak and off-peak definitions; and

**WHEREAS**, Utilities proposed to implement the ETR changes effective June 1, 2023; and

**WHEREAS**, Utilities proposed to modify the Commercial Service – General Time-of-Day Option (ETC) Access and Facility Charges, per kWh; and

**WHEREAS**, Colorado Springs Utilities (Utilities) proposed to remove obsolete references to the Industrial Service – Large Power and Light (ELG) Supply Credit; and

**WHEREAS**, Utilities proposed to modify general provisions to standardize optional rate contract expiration and renewal dates; and

**WHEREAS**, Utilities proposed to modify the Community Solar Garden Bill Credit (Pilot Program) to broaden program availability to include non-profit organizations; and

**WHEREAS**, Utilities proposed changes to Green Power Service to adjust the rate, add provisions to allow rate changes as frequently as monthly, and increase the program limit to 12,000,000 kWh per month; and

**WHEREAS**, Utilities proposed to add the Electric Vehicle Public Charging Service – Time-of-Day to Utilities' electric rate schedules; and

**WHEREAS**, Utilities proposed to add the Interruptible Service to Utilities' electric rate schedules effective October 1, 2023; and

**WHEREAS**, the City Council finds Utilities' proposed modifications prudent; and

**WHEREAS**, the City Council finds that the proposed modifications to the electric rate schedules are just, reasonable, sufficient, and not unduly discriminatory and allow Utilities to collect revenues that enable Utilities to continue to operate in the best interest of all its Customers; and

**WHEREAS**, the details of the changes, including the pricing changes noted above and all changes noted in the following clauses, are reflected in the tariff sheets attached to this resolution, are provided in redline format within Utilities' 2023 Rate Case, and are discussed further in the City Council Decision and Order for this case; and

**WHEREAS**, Utilities provided public notice of the proposed changes and complied with the requirements of the City Code for changing its electric rate schedules; and

**WHEREAS**, Utilities proposed to make the electric rate schedule changes effective January 1, 2023, June 1, 2023, or October 1, 2023 as noted in the tables below; and

**WHEREAS**, specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariffs for adoption with the final City Council Decision and Order in this case.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

Section 1: That Colorado Springs Utilities Tariff, City Council Volume No. 6, Electric Rate Schedules shall be revised as follows:

Effective January 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 1	TABLE OF CONTENTS	Second Revised Sheet No. 1
Second Revised Sheet No. 2.1	RATE TABLE	First Revised Sheet No. 2.1
Second Revised Sheet No. 2.4	RATE TABLE	First Revised Sheet No. 2.4
Nineteenth Revised Sheet No. 2.9	RATE TABLE	Eighteenth Revised Sheet No. 2.9
Second Revised Sheet No. 2.11	RATE TABLE	First Revised Sheet No. 2.11
Original Sheet No. 2.12	RATE TABLE	
Second Revised Sheet No. 3	GENERAL	First Revised Sheet No. 3
First Revised Sheet No. 3.1	GENERAL	Original Sheet No. 3.1
First Revised Sheet No. 22	COMMUNITY SOLAR GARDEN BILL CREDIT– (PILOT PROGRAM)	Original Sheet No. 22
First Revised Sheet No. 22.4	COMMUNITY SOLAR GARDEN BILL CREDIT– (PILOT PROGRAM)	Original Sheet No. 22.4
First Revised Sheet No. 24	GREEN POWER SERVICE	Original Sheet No. 24
Original Sheet No. 25	ELECTRIC VEHICLE PUBLIC CHARGING SERVICE– TIME-OF-DAY	

Effective June 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Third Revised Sheet No. 2	RATE TABLE	Second Revised Sheet No. 2
Second Revised Sheet No. 3.1	GENERAL	First Revised Sheet No. 3.1

Effective October 1, 2023

<b>City Council Vol. No. 6</b>		
<b>Sheet No.</b>	<b>Title</b>	<b>Cancels Sheet No.</b>
Fourth Revised Sheet No. 1	TABLE OF CONTENTS	Third Revised Sheet No. 1
First Revised Sheet No. 2.12	RATE TABLE	Original Sheet No. 2.12
First Revised Sheet No. 10	INDUSTRIAL SERVICE– LARGE POWER AND LIGHT (ELG)	Original Sheet No. 10
Original Sheet No. 26	INTERRUPTIBLE SERVICE	
Original Sheet No. 26.1	INTERRUPTIBLE SERVICE	
Original Sheet No. 26.2	INTERRUPTIBLE SERVICE	

Section 2: The attached Tariff Sheets, Council Decision and Order, and other related matters are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this 8<sup>th</sup> day of November 2022.

\_\_\_\_\_  
City Council President

ATTEST:

\_\_\_\_\_  
Sarah B. Johnson, City Clerk

**Electric**  
**Redline Tariff Sheets**





<b>ELECTRIC RATE SCHEDULES</b>
<b>RATE TABLE</b>

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<b>Standard ECA, per kWh (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)</b>	\$0.0462	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0871	
Off-Peak, per kWh	\$0.0401	
<b>Time-of-Day ECA (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)</b>		
On-Peak, per kWh	\$0.0659	
Off-Peak, per kWh	\$0.0407	
<b><del>Industrial Service—Large Power and Light (ELG) Supply Credit</del></b>		
<del>Supply Credit—Primary and Secondary Service, 0.0% of Standard ECA, per kWh</del>	<del>\$(0.0000)</del>	-
<b><u>Green Power Service</u></b>		<b><u>Sheet No. 24</u></b>
<u>The rate applicable to each kilowatt hour subscribed under this rate schedule</u>	<del>\$0.0307</del> <u>\$0.0520</u>	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0044	
Residential Time-of-Day Option (ETR), per kWh	\$0.0048	
Commercial Service – Small (E1C), per kWh	\$0.0044	
Commercial Service – Non-Metered (ENM), per kWh	\$0.0043	
Commercial Service – General (E2C), per kWh	\$0.0043	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0024	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0037	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0042	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0038	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0024	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0028	

Approval Date: ~~September 27, 2022~~ November 8, 2022  
 Effective Date: ~~October 1, 2022~~ January 1, 2023  
 Resolution No. ~~138-22~~



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

Contract Service – Military (ECD), per kWh	\$0.0033	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0024	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0024	

Approval Date: ~~September 27, 2022~~ November 8, 2022  
Effective Date: ~~October 1, 2022~~ January 1, 2023  
Resolution No. ~~138-22~~

**Electric**  
**Final Tariff Sheets**



**ELECTRIC RATE SCHEDULES**

**RATE TABLE**

Description	Rates	Reference
<b>Electric Cost Adjustment (ECA)</b>		<b>Sheet No. 16</b>
<b>Standard ECA, per kWh</b> (E1R), (E1C), (ENM), (E2C), (ETLO), (ETLW), (ELG), (E2T), (E7SL)	\$0.0462	
<b>Time-of-Day ECA (ETR)</b>		
On-Peak, per kWh	\$0.0871	
Off-Peak, per kWh	\$0.0401	
<b>Time-of-Day ECA</b> (ETC), (ETX), (ETL), (E8T), (E8S), (ECD)		
On-Peak, per kWh	\$0.0659	
Off-Peak, per kWh	\$0.0407	
<b>Green Power Service</b>		<b>Sheet No. 24</b>
The rate applicable to each kilowatt hour subscribed under this rate schedule	\$0.0520	
<b>Electric Capacity Charge (ECC)</b>		<b>Sheet No. 17</b>
Residential Service (E1R), per kWh	\$0.0044	
Residential Time-of-Day Option (ETR), per kWh	\$0.0048	
Commercial Service – Small (E1C), per kWh	\$0.0044	
Commercial Service – Non-Metered (ENM), per kWh	\$0.0043	
Commercial Service – General (E2C), per kWh	\$0.0043	
Commercial Service – General Time-of-Day Option (ETC), per kWh	\$0.0024	
Industrial Service – Time-of-Day 1,000 kWh/Day Min (ETL), per kWh	\$0.0037	
Industrial Service – Time-of-Day 500 KW Minimum (E8T), per kWh	\$0.0042	
Industrial Service – Time-of-Day 4,000 KW Minimum (E8S), per kWh	\$0.0038	
Industrial Service – Large Power and Light (ELG), per kWh	\$0.0024	
Industrial Service – Time-of-Day Transmission Voltage (ETX), per kWh	\$0.0028	
Contract Service – Military (ECD), per kWh	\$0.0033	
Contract Service – Traffic Signals (E2T), per kWh	\$0.0024	
Contract Service – Street Lighting (E7SL), per kWh	\$0.0024	

Approval Date: November 8, 2022  
 Effective Date: January 1, 2023  
 Resolution No. \_\_\_\_\_

# **Green Power Service**

**Colorado Springs Utilities  
Green Power Service**

**SCHEDULE 1  
GREEN POWER RATE PROPOSED JANUARY 1, 2023**

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	<b>Green Power Rate</b>	
2	Baseline Green Power	\$ 0.0326
3	Renewable Cost Adjustment	0.0194
4	<b>Green Power Rate, per kWh</b>	<b>\$ 0.0520</b>

**Colorado Springs Utilities  
Green Power Service**

**SCHEDULE 1.1  
RENEWABLE COST ADJUSTMENT**

<b>Line No.</b>	<b>Description</b>	<b>Amount</b>
<b>(a)</b>	<b>(b)</b>	<b>(c)</b>
1	<b>Renewable Cost Adjustment</b>	
2	ECA, per kWh	\$ 0.0462
3	Forecasted Renewable Energy Credit Price	0.0058
4	Total Cost <i>(Line 2 + Line 3)</i>	<u>0.0520</u>
5	Baseline Green Power Rate	0.0326
6	<b>Renewable Cost Adjustment <i>(Line 4 - Line 5)</i></b>	<u><b>\$ 0.0194</b></u>

*Note: In the event the Baseline Green Power Rate is greater than Line 4, the Renewable Cost Adjustment will be set to zero.*

**Colorado Springs Utilities  
Green Power Service**

**SCHEDULE 1.2  
BASELINE GREEN POWER RATE**

Line No.	Description	Grazing Yak Amount	Palmer Amount	Total Amount
<u>(a)</u>	<u>(b)</u>	<u>(c)</u>	<u>(d)</u>	<u>(e)</u>
1	<b>Baseline Green Power Rate</b>			
2	Energy Cost, per kWh			
3	Energy Cost, per kWh	\$ 0.0335	\$ 0.0289	
4	Integration Cost, per kWh	0.0019	0.0019	
5	Total Energy Cost, per kWh	<u>\$ 0.0354</u>	<u>\$ 0.0308</u>	
6	Annual kWh	88,337,110	153,607,910	241,945,020
7	Annual Energy Expense	<u>\$ 3,128,900</u>	<u>\$ 4,728,051</u>	<u>\$ 7,856,952</u>
8	Green-e Expense			
9	Green-e Base Fee	5,730	4,610	10,340
10	Green-e Volumetric Fees	3,092	5,376	8,468
11	Total Green-e Expense	<u>\$ 8,822</u>	<u>\$ 9,986</u>	<u>\$ 18,808</u>
12	Total Energy and Green-e Expense <i>(Line 7 + Line 11)</i>	<u>\$ 3,137,722</u>	<u>\$ 4,738,038</u>	<u>\$ 7,875,760</u>
13	Estimated Annual kWh	88,337,110	153,607,910	241,945,020
14	<b>Total Baseline Green Power Rate <i>(Line 12 / Line 13)</i></b>	<u><u>\$ 0.0355</u></u>	<u><u>\$ 0.0308</u></u>	<u><u>\$ 0.0326</u></u>



New  
Information

## Legal Notice

# AFFIDAVIT OF PUBLICATION

STATE OF COLORADO  
COUNTY OF El Paso

I, Lorre Cosgrove, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Colorado Springs Gazette, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Colorado Springs Gazette; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 09/14/2022**

That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



Lorre Cosgrove  
Sales Center Agent

Subscribed and sworn to me this 09/15/2022, at said City of Colorado Springs, El Paso County, Colorado.  
My commission expires June 23, 2026.



Karen Hogan  
Notary Public

**KAREN HOGAN**  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20224024441  
MY COMMISSION EXPIRES 06/23/2026

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20224024441-276686

**LEGAL NOTICE**  
**COLORADO SPRINGS UTILITIES**  
**121 SOUTH TEJON STREET**  
**COLORADO SPRINGS, COLORADO 80903**

**Notice of Proposed Rate Changes and Tariff Changes**

Colorado Springs Utilities is required by City Code Section 12.1.108(C) (2)(D) and Colorado Revised Statutes 40-5-104 to provide notification when rate or tariff changes are proposed.

Colorado Springs Utilities (Utilities), an enterprise of the City of Colorado Springs, a Colorado home-rule city and municipal corporation, has proposed revenue requirements and tariff changes for water, wastewater and certain electric rates and certain changes to electric, natural gas, water and wastewater schedules, Utilities Rules and Regulations, and the Open Access Transmission Tariff. The changes will increase or decrease rates, fees and/or charges for these services. These changes will increase Utilities' total revenues from the water and wastewater services.

With the proposed changes to the water and wastewater services, the residential customer will see an increase of \$6.05 or 2.1 percent to the monthly four service sample bill. Unless otherwise noted, changes are proposed effective January 1, 2023. The proposed changes by service are detailed below.

**Water Service**  
 To fully recover the costs of operating the water system, Utilities proposes to increase the overall revenues by approximately \$10.4 million. The water service requires funding of infrastructure investments and inflationary increases in labor, benefits, and system maintenance. Utilities proposes increases to (1) Residential; (2) Nonresidential Service; (3) Large Nonseasonal Service; (4) Contract Service - Military.

Overall, the sample family residential Customer will see an increase of approximately \$5.21 per month, or 7.0 percent to the monthly water bill.

Utilities also proposes increases to (1) Contract Service - Regional; (2) Nonpotable; (3) Augmentation; and (4) Temporary Service - Hydrant Use.

In addition, Utilities proposes (1) a change to Contract Service - Regional rate schedule to add a new Standby service; (2) modification to Large Nonseasonal Service optional rate contract expiration and renewal dates.

**Wastewater Service**  
 To fully recover the costs of operating the wastewater system, Utilities proposes to increase the overall revenues by approximately \$2.8 million. The wastewater service requires funding of infrastructure investments and inflationary increases in labor, benefits, and system maintenance. Utilities proposes increases to (1) Nonresidential Service; (2) Contract Service - Military; and (3) Contract Service - Regional.

Overall, the sample family residential Customer will see an increase of approximately \$0.84 per month, or 2.5 percent to the monthly wastewater bill.

In addition, Utilities proposes administrative changes to standardize references to inside City Limits and Outside City Limits.

**Electric Service**  
 Utilities proposes changes to (1) Residential Service Time-of-Day Option, effective June 1, 2023; (2) Commercial Service - General Time-of-Day Option; and (3) Green Power Service.

Utilities also proposes (1) addition of a new Electric Vehicle Public Charging rate schedule; and (2) addition of a new interruptible Service rate schedule, effective October 1, 2023.

In addition, Utilities proposes (1) removing the absolute references to EIS Supply Credit; (2) modification of general provisions to standardize rate option contract expiration and renewal dates; and (3) modification to the Community Solar Garden Bill Credit Pilot Program to expand program availability to include non-profit organizations.

**Natural Gas Service**  
 Utilities proposes changes to the Industrial Service - Interruptible for addition of provisions allowing waiver of overrun charges in certain instances, removal of exemption from backup fuel supply requirement, and extension of customer contract termination notice.

Utilities also proposes a change to Contract Service - Military Interruptible for addition of provisions allowing waiver of overrun charges in certain instances.

In addition, Utilities proposes (1) modification of general provisions to standardize rate option contract expiration and renewal dates; and (2) an administrative correction to the Monthly Index definition.

**Utilities Rules and Regulations (URR)**  
 Utilities proposes (1) modifications to general provisions allowing Utilities to accept a customer executed release in a form provided by a state or federal assistance entity; (2) modifications to water and wastewater extension policies to modify the capacity determinations for oversized requirements; (3) removal of large main extension fund property owner or developer 25% requirement; and (4) elimination of large main extension fund process payments; and (5) addition of Standby Service Option Water Regional System Availability Fee.

**Open Access Transmission Tariff (OATT)**  
 Utilities proposes revisions to the Standard Large Generator Interconnection Procedures and Agreement removing certain terms and conditions associated with the credit-related provisions of the OATT's large generator interconnection documents.

The proposed changes are described in more detail in the material Utilities filed with the City Clerk. Numerous proposals are contained within this filing, including proposed changes to rates. Customers are urged to review the complete filing in order to identify all aspects of the proposal that may affect them. Copies of the proposed resolutions, the accompanying tariff sheets, financial data, cost information and a set of all materials were provided to City Council. The proposed changes are on file and open for public inspection in the office of the City Clerk, 30 South Nevada Avenue, Colorado Springs, Colorado, 80903 and are posted on the Utilities' website www.csu.org. City Council may also consider tariff changes proposed by customers which differ from the changes mentioned above.

The City Council set a hearing to be held October 25, 2022, to consider the proposed changes. The hearing will be held in City Council Chambers, 107 North Nevada Ave., Suite 325, Colorado Springs, Colorado beginning at 10 a.m. Due to the novel coronavirus pandemic (COVID-19) and in accordance with City Council Resolutions, the meeting may also be conducted electronically or telephonically. Instructions for attending the meeting electronically will be set forth in the City Council meeting notice and agenda for the October 25, 2022 City Council meeting. The proposed changes, if approved by City Council, will go into effect January 1, 2023, June 1, 2023, and October 1, 2023 or as otherwise provided in the City Council resolution approving the changes. The proposed resolutions and tariffs as filed with the City Clerk, may be changed by City Council prior to becoming effective as a result of information presented at the hearing by members of the public, witnesses for Customers, the City Auditor, or by Utilities.

In addition to public comments taken during the hearing, written comments will be accepted at the office of the City Clerk. Public comments may also be submitted electronically to the City Clerk in advance of the hearing to CityClerk@coloradosprings.gov. Each Utilities Customer has the right to appear, personally or through counsel, for the purpose of providing testimony regarding the proposed changes. In the event public participation is not allowed in person at the meeting due to COVID-19, or in the event members of the public are allowed to participate in the meeting electronically or telephonically, instructions for electronic or telephonic public participation in the hearing will be included in the City Council meeting notice and agenda for the October 25, 2022 City Council meeting. Any Customer who desires to present witnesses, other than the Customer, should file a Notice of Intent to Present Witnesses and a short summary of the testimony of each witness, as provided in Section 12.1.108 (C) (3) of the City Code, with the City Clerk's Office, 30 South Nevada Avenue, Colorado Springs, Colorado 80903 or electronically to CityClerk@coloradosprings.gov and with the Colorado Springs Utilities Rates Manager, 121 South Tejon Street, Colorado Springs, Colorado 80903 on or before 5 p.m. on October 14, 2022. Customers desiring further information on the proposed rate changes described in this Notice, including the estimated impact on monthly bills, should telephone Colorado Springs Utilities at (719) 488-4800.

**NOTICE TO:**  
**ELECTRIC, NATURAL GAS**  
**WATER, WASTEWATER, URR, and OATT**  
**CUSTOMERS OF COLORADO SPRINGS UTILITIES**  
**HEARING DATE: OCTOBER 25, 2022**

Published in The Gazette September 14, 2022.

**Public  
Outreach**



## 2023 Rate Case Public Outreach Overview

This document describes the strategic and comprehensive public outreach plan for the 2023 rate case. The rate case is communicated to residential and business customers using a variety of channels as indicated in the table on the following page.

The Strategic Rates and Budget Communication Plan, including key messages, was distributed to appropriate members of management in September 2022. The Pricing Intranet page is updated periodically with the latest information and tools pertaining to the rates and budget.

The entire rate case was posted on csu.org Sept. 13, 2022. The Draft 2023 Annual Operating and Financial Plan is also posted on the website two weeks before the first public hearing. More thorough media coverage is expected from Oct. 25 through mid-January 2023.


To better equip our service center with information about the 2023 Rate Case and Draft Annual Operating Budget, employees from Pricing and Rates and Customer and Workforce Communications departments will provide a presentation for small groups of call center representatives. This virtual session includes a high-level overview of the rates case, 2023 budget and changes in the ECA/GCA. Call center staff were provided a one-sheeter with detailed information to use as reference as they engage customers.

Customers can attend Utilities Board meetings and City Council meetings virtually and provide public comment. Video of Utilities Board and City Council meetings are streamed live online, and past Board meetings are available at csu.org. Additionally, all City Council meetings are shown on various days and times on SpringsTV, Channel 18.

Customers who cannot attend Board and Council meetings can provide their feedback on the rate case directly to City Council members via phone or email, through Springs Utilities' social media pages, through AskUs (email response from csu.org users) and comments to call center representatives.

<b>Communications Channels</b>	<b>Residential</b>	<b>Business</b>	<b>Timing</b>
Website (csu.org): Rate case filing, proposed budget, interactive bill calculator, videos of live and past Utilities Board meetings	X	X	September 2022 – January 2023
Strategic Communications Plan	X	X	September 2022 – January 2022
Infographics depicting rates for each class of customer	X	X	September 2022 – January 2023
Employee “one-pager”	X	X	October 2022 – February 2023

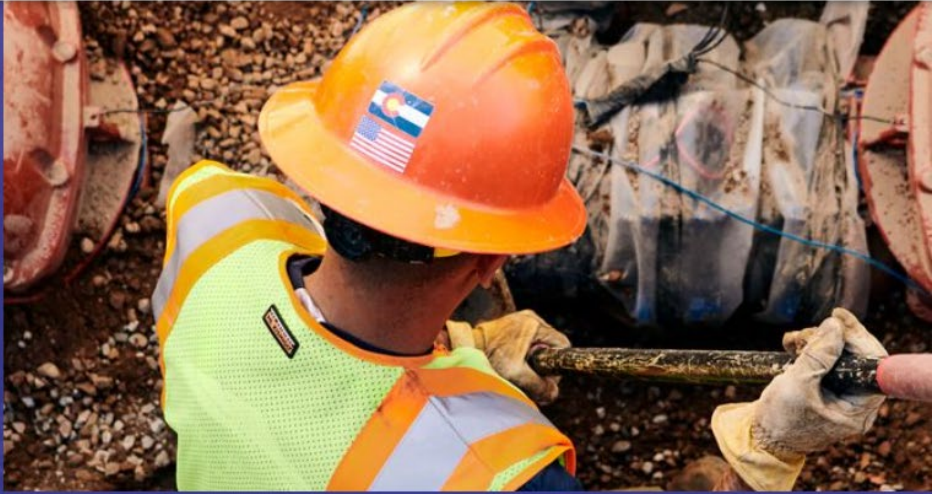
Social media	X	X	Ongoing
Utilities Board public meetings	X	X	Monthly
City Council public meetings	X	X	Twice monthly
Meetings with news reporters	X	X	As-needed basis
Bill package: Connection, envelope and/or bill messages	X		Ongoing
Smart Home e-newsletter	X		October 2022
Weekly communications/memo to Utilities Board members	X	X	As-needed basis
Intranet: including the main rotator and the Pricing and Rates group page	X	X	September 2022 – January 2023
Strategic account managers one-on-one meetings, emails and phone calls		X	Ongoing
Rates Customer Service Center presentation	X	X	November 2022
Fall State of Utilities meeting		X	Oct. 4, 2022
City Council website: video of live and past City Council meetings, SpringsTV Ch. 18	X	X	September 2022 – January 2023
First Source e-newsletter		X	Oct. 1, 2022
CONNECTION printed newsletter	X		November 2022-January 2023
Mid-market monthly newsletter		x	(October 2022-January, 2023)



# Looking ahead

Our 2023 proposed rates and budget focus on large-scale projects.

[SEE THE PROPOSAL >](#)



*Four services, one utility.*  
ELECTRIC • NATURAL GAS • WATER • WASTEWATER

## Budget and rate case webpage

# Proposed Rate Changes

- [2022 Rate Case >](#)
- [2022 Supplemental Rate Case >](#)
- [Open Access Transmission Tariff Rate Case >](#)
- [2023 Proposed Rate Case >](#)

Base rates support the operations and maintenance expenditures (pipes, wire, plants) to maintain safe and reliable utility services. Changes to base rates, if necessary, are proposed in the fall in coordination with our budget for the following year. As a community-owned, not-for-profit utility, our rates cover the costs associated to serve customers. The Public Hearing for the 2023 Rate Case is set for the Oct. 25, 2022 Colorado Springs City Council meeting.

Cost Adjustments only apply to electric and natural gas services. Because the national markets for natural gas and electricity are volatile and uncontrollable, we use cost adjustments to compensate for increases and decreases in market prices. Changes to the cost adjustments, which are typically made quarterly, directly reflect the costs we are paying and passing directly through to customers.

Our budget is developed to achieve competitive utility rates; safe, reliable service; and outstanding customer experiences. The budget supports the financial metrics necessary to maintain a healthy "AA" credit rating that helps keep customer rates competitive.

Use the links below to learn more about proposed changes.

[Residential Rates >](#)

[Business Rates >](#)

[Cost Adjustments >](#)





## Scare off phantom load

**P**hantom load lurks in your home and drains energy from electronics and appliances even when not in use. Ward off wasted energy:

- Unplug appliances and electronics when turned off, including chargers.
- Turn off your computer monitor and printer. Screensavers do not reduce energy use.
- Energy Star® certified appliances use 10 to 50% less energy and may qualify for a money-saving rebate.

Follow us on social media for more tips.

## Budget Billing keeps your bill simple

**E**asily manage your budget by spreading your payments evenly throughout the year. Budget Billing calculates the 12-month average of your past bills and charges you that amount each month.

With Budget Billing you'll never pay for more utilities than what you use. If your bill changes by 25% or more, up or down, we recalculate your payment amount.

Visit [csu.org](http://csu.org) for program details.

## FAST FACT

Install a **carbon monoxide alarm outside of each sleeping area**. Test regularly and replace if they fail to respond.



## System upgrades drive 2023 rates and budget

### 2023 Rate Case

**W**e are proposing an increase in water and wastewater rates to support key upgrades to our aging system, such as updating water meters, replacing old water pipes and rebuilding and refurbishing water storage tanks.



The proposal calls for 5% overall water rate increase and a 4% overall wastewater rate increase. We review these rates annually, with the last update in 2020.

If approved by City Council in November, the new rates would be effective Jan. 1, 2023. The sample residential customer bill would increase about \$5.21 per month for water and \$0.84 increase per month for wastewater.

### 2023 Annual Operating Budget

**A**s a community-owned, nonprofit utility, we develop our annual budget each year to continue to provide value to our customers' lives and help businesses succeed.

Our 2023 proposed budget is \$1.6 billion and is impacted by rising fuel costs, inflation and labor costs. Major projects to improve our overall system make up 26% of the budget. These include:

- **New generation:** As we transition away from coal, temporary natural gas generators bridge the gap from fossil fuel to renewable energy.
- **Smart meters:** The replacement of our current meters for upgraded smart meters will allow advanced two-way communication between your home or business and our system.
- **Fiber network:** This network will enhance utility operations and enable the fastest available internet connectivity to residents and businesses throughout Colorado Springs.
- **Online tools:** Investments in online customer tools will make it easier to manage your accounts and utility use.

Visit [csu.org](http://csu.org) to learn more.



## Social media



Colorado Springs Utilities ✓

August 17 · 🌐

Join our Utilities Board meeting today, Wednesday, Aug. 17 at 1:00pm. You can participate online, call in or watch on Channel 18. On the agenda:

- ✓ 2023 budget and rate review
- ✓ National Preparedness Month with [Ready](#)
- ✓ Proposed changes to bylaws... [See more](#)



# Planning & Finance

Download financial documents demonstrating our fiscally-responsible use of funds.

[FINANCIAL REPORTS](#) >

We prioritize upgrades to responsibly manage necessary investments for our customers.

[BUDGET & RATE CHANGES](#) >

A sound plan puts us all on the same page so our work is productive and effective for the entire community.

[STRATEGIC PLANNING](#) >

View our full tariffs or download rate sheets with our most common schedules.

[RATES & TARIFFS](#) >

Revenue generated by the sale of equipment and vehicles helps keep rates low for all customers.

[SURPLUS AUCTION](#) >

# Rates & Tariffs

Download a rate sheet for our most common schedules.

[Business Rate Sheet](#) >[Residential Rate Sheet](#) >

Detailed terms and conditions for all prices and schedules are provided in our tariffs.

For more details about utility regulations, review the City Codes of Colorado Springs.

[Electric Tariff](#) >[Water Tariff](#) >[Natural Gas Tariff](#) >[Open Access Transmission Tariff](#) >[Wastewater Tariff](#) >[Utilities Rules & Regulations Tariff](#) >

**Office of the City Auditor**  
**Audit Report**



# OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

Jacqueline M. Rowland  
City Auditor, CPA CFE PMP

## 22-23 Colorado Springs Utilities 2023 Rate Case

October 2022

### **Purpose**

The 2023 Rate Case review focused on accuracy and consistency of the methodology used to develop the proposed rate changes. We also reviewed for compliance with rate development guidance approved by the Colorado Springs Utilities (Utilities) Board.

### **Highlights**

We conclude the Cost of Service study supporting the proposed rate changes for the Water and Wastewater Services effective January 1, 2023 was prepared accurately. Utilities Pricing and Rates Department proposed new pricing methodology for Nonpotable Water Service, which removed this rate class from the Cost of Service. We verified the new pricing methodology was documented in the 2023 Preliminary Rate Case Report to City Council.

- The 2023 Water Cost of Service revenue requirement increased \$10.3 million or 5% for a total net revenue requirement of \$219.9 million. The revenue requirement under the current rates was \$209.4 million.
- The 2023 Wastewater Cost of Service revenue requirement increased \$2.8 million or 4% for a total net revenue requirement of \$73.6 million. The revenue requirement under the current rates was \$70.8 million.
- Proposed rate changes were aligned with rate making principles in the Colorado Springs Utilities Rate Manual. The proposed rates were within tolerances in Utilities Board approved guidance.

With this rate filing, Utilities reports the final phase-in of approved rate changes flattening residential blocks and nonresidential winter and summer rates in the Water Service. Additionally, Utilities has proposed a multi-year phase-in rate increase to the Augmentation rate in the Water Service. Finally, Utilities has proposed a new Standby service for Regional Customers in the Water Service.

The Rate Case filing included changes to the following: certain optional Electric Rates Tables, Electric, Natural Gas, and Water Tariff provisions, Utilities Rules and Regulations, and Open Access Transmission Tariff. All changes were reviewed at the August 17, 2022 Utilities Board meeting.

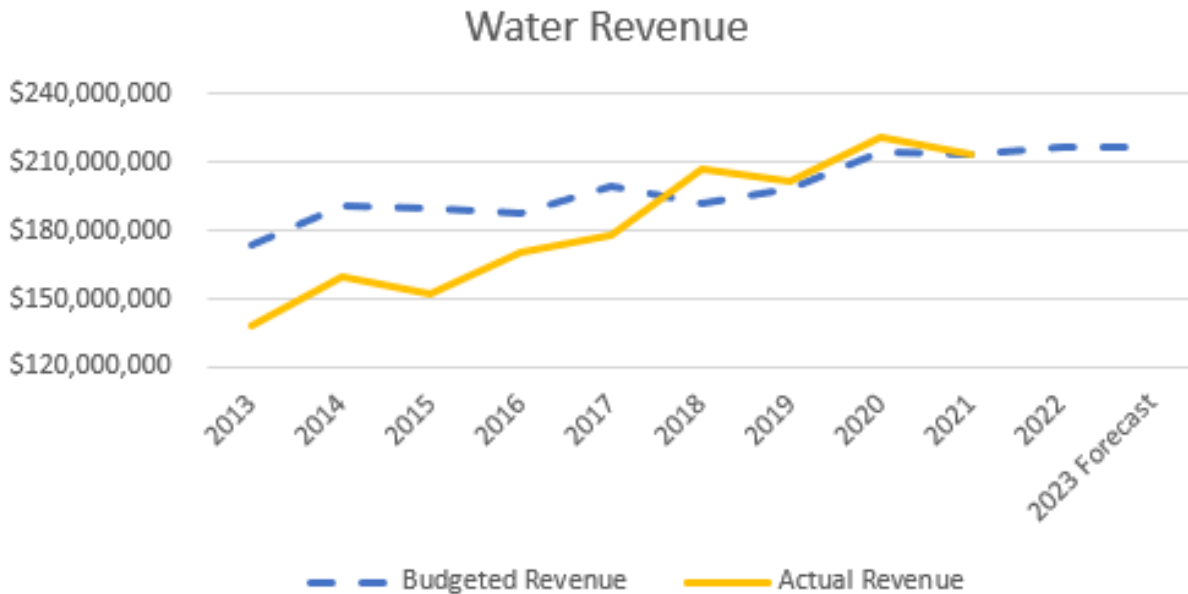
Utilities provided the 2023 Water and Wastewater revenue trend data, see Page 2.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

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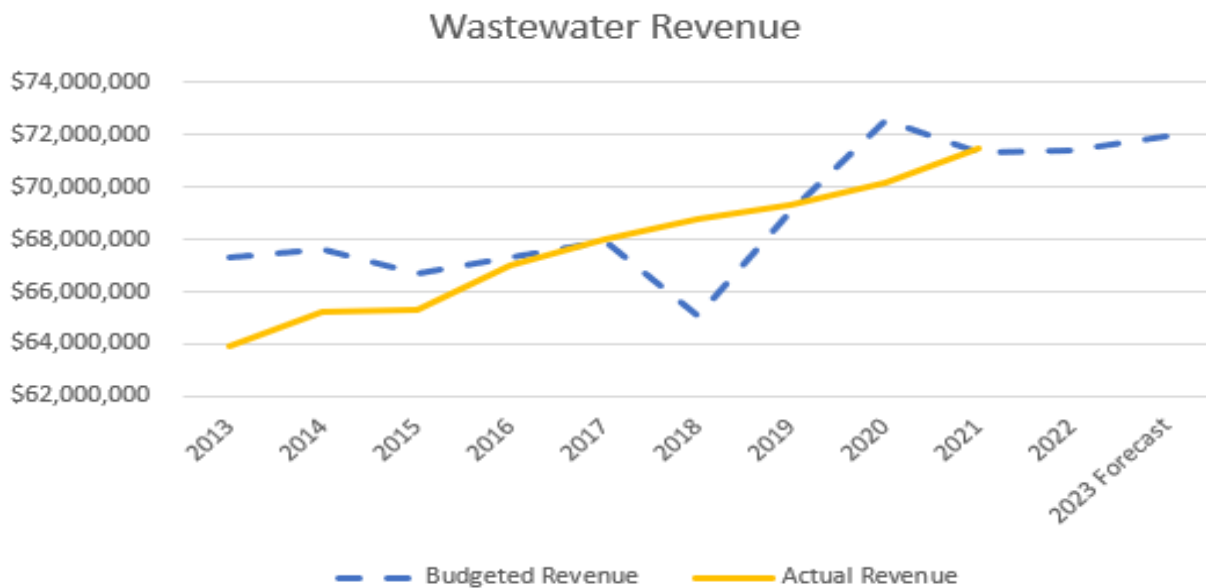
# 22-XX Colorado Springs Utilities 2023 Rate Case

Water revenue data provided by Utilities indicates actual water revenue is trending to budget in recent years.



Source: Colorado Springs Utilities, Water Revenue Trend Data - Unaudited.

Wastewater revenue data provided by Utilities indicates slightly lower amounts in 2019 and 2020 than budgeted.



Source: Colorado Springs Utilities, Wastewater Revenue Trend Data - Unaudited.